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Appeal/Request for Review CC Docket No. 02-6 CC Docket No. 96-45

Applicant Name: Letcher County School District

Billed Entity No.: 128939

Form 471 Application No.: 455771 Finding Request No.: 1254456

Contact Information:

Mr. Darrell Hall,

Attorney for Letcher County School District

351 Main Street, P.O. Box 765 Whitesburg, Kentucky 41858 Phone No.: 606-633-2231 Fax No.: 606-633-2388

E-mail address: dhatty a tgtel.com

A copy of the USAC letter being appealed is attached hereto.

Dated this 12th day of January 2006.

Respectfully submitted,

HON. DARRELL HALL

Attorney at Law P.O. Box 765

Whitesburg, Kentucky 41858

(606)633-2231 (606)633-2388 fax

CERTIFICATE OF SERVICE

This is to certify that a true and accurate copy of the foregoing Appeal/Request for Review was mailed postage prepaid on this the 12th day of January 2006, to the following:

Federal Communications Commission Office of the Secretary 445 12th Street, SW Room TW-A325 Washington, DC 20554

HON. DARRELL HALI

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Hon. Darrell Hall Attorney-At-Law P.O. Box 765 Whitesburg, KY 41858

Billed Entity Number: 128939 Form 471 Application Number: Form 486 Application Number: 455771

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Universal Service Administrative Company

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Administrator's Decision on Appeal - Funding Year 2005-2006

November 29, 2005

Hon. Darrell Hall Attorney-At-Law P.O. Box 765 Whitesburg, KY 41858

Re: Applicant Name:

LETCHER COUNTY SCHOOL DISTRICT

Billed Entity Number:

128939

Form 471 Application Number: Funding Request Number(s):

455771 1254456

Your Correspondence Dated:

October 25, 2005

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of SLD's Funding Year 2005 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of SLD's decision. The date of this letter begins the 60-day time period for appealing this decision to the Federal Communications Commission (FCC). If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

<u>Funding Request Number(s)</u>:

1254456

Decision on Appeal:

Denied

Explanation:

- On appeal, you seek reversal of the SLD's decision to deny the funding request
 for leased dark fiber which is an ineligible product/service based on program
 rules. In support of your request, you state that dark fiber is the best and most cost
 effective way to connect the District's schools to the Internet. You go on to say
 that according to USAC, an ineligible product may be used if it is the most cost
 effective means of accessing the Internet.
- Upon thorough review of your appeal letter and all supporting documentation, we find that the SLD properly denied the funding request for ineligible leased dark fiber. For Funding Year 2005, dark fiber whether purchased or leased has not been determined to be an eligible service. Program procedures stipulate that when a funding request contains ineligible services that amount to over 30% of the

requested amount, the entire amount is to be denied. You have not provided sufficient evidence on appeal that the SLD erred in its original determination.

• Your Form 471 application included costs for the following ineligible services: leased dark fiber. FCC rules provide that discounts may be approved only for eligible services. 47 C.F.R. §§ 54.502, 54.503. The USAC web site contains a list of eligible services. See the web site, www.sl.universalservice.org, Eligible Services List. FCC rules require that if 30% or more of an applicant's funding request includes ineligible services, the funding request must be denied. 47 C.F.R. § 54.504(c)(1). 100% of your funding request was for ineligible services. Therefore, your funding request was denied. You did not demonstrate in your appeal that your request included less than 30% for ineligible services. Consequently, SLD denies your appeal.

If your appeal has been approved, but funding has been reduced or denied, you may appeal these decisions to either the SLD or the FCC. For appeals that have been denied in full, partially approved, dismissed, or canceled, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received or postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD web site or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division
Universal Service Administrative Company

cc: Dannie Caudill

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